

HOUSE BILL REPORT

HB 1670

As Reported by House Committee On:
Technology & Economic Development

Title: An act relating to spurring agricultural innovations.

Brief Description: Spurring agricultural innovations.

Sponsors: Representatives Walkinshaw, Schmick, Blake, Fagan, Pettigrew, Lytton and Tharinger.

Brief History:

Committee Activity:

Technology & Economic Development: 2/4/15, 2/19/15 [DP].

Brief Summary of Bill

- Expands the definition of "life sciences research," to include agriculture crop and animal sciences research for the purposes of the Life Sciences Discovery Fund (LSDF).
- Expands the factors that the LSDF Authority may consider for grant making purposes to include the potential to provide improvements in agriculture production and animal sciences health care benefits.

HOUSE COMMITTEE ON TECHNOLOGY & ECONOMIC DEVELOPMENT

Majority Report: Do pass. Signed by 13 members: Representatives Morris, Chair; Tarleton, Vice Chair; Smith, Ranking Minority Member; DeBolt, Assistant Ranking Minority Member; Fey, Harmsworth, Hudgins, Magendanz, Nealey, Ryu, Santos, Wylie and Young.

Staff: Kirsten Lee (786-7133).

Background:

Bio 21.

In 2002, at the request of Governor Locke, leaders from Washington's research institutions, industry, government, and the local community developed the framework known as "Bio 21." Bio 21 calls for the state to direct a combination of public and private funds to the research

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sector to support research and commercialization of life science and information technology. In 2003 the Legislature provided funds from the Tobacco Master Settlement Agreement to support further development of this initiative.

The Tobacco Master Settlement Agreement is an agreement between 46 states, the District of Columbia, six territories, and five major tobacco product manufacturers. Under the agreement, participating manufacturers agree to make specified payments to the state and agree to abide by extensive public health restrictions on the advertisement, promotion, and marketing of cigarettes. In exchange, the state agreed to release the participating manufacturers from claims by the states. Of that settlement, Washington is expected to receive approximately \$4 billion over a period of 25 years.

Life Sciences Discovery Fund.

In 2005 the Life Sciences Discovery Fund (LSDF) was created to promote life science research in Washington. The LSDF was authorized to receive tobacco settlement strategic contribution payments and leverage these state contribution payments by providing grant opportunities to support life sciences research and development.

"Life Science Research" Defined.

For the purpose of the LSDF, "life science research" is defined as advanced and applied research and development related to health care outcomes, particularly in areas such as diagnosis and treatment of disease, medical devices and imaging, and software for use in clinical settings. This can include laboratory and clinical research and proof of concept development.

Life Sciences Discovery Fund Authority Grants.

The LSDF Authority has the authority to provide grants to entities pursuant to a contract for the promotion of life sciences research to be conducted in the state. The LSDF Authority solicits requests for funding and evaluates the requests by considering the following factors:

- the quality of the proposed research;
- the potential for leveraging additional funding;
- the potential to provide health care benefits;
- the potential to stimulate health care delivery, biomedical manufacturing, and life sciences-related employment in the state;
- the geographic diversity of the grantees within Washington; and
- evidence of public and private collaboration.

In addition to considering these factors, the LSDF Authority has the power to adopt policies and procedures to facilitate the process of reviewing and awarding grants. The LSDF Authority can also create one or more advisory boards consisting of scientists, industrialists, and others familiar with life science research.

Summary of Bill:

"Life Science Research" Defined.

The definition of "life sciences research" is expanded to include agricultural crop and animal sciences research.

Life Sciences Discovery Fund Authority Grants.

The LSDF Authority is able to consider a grant applicant's potential to provide improvements in agricultural production and animal sciences, health care benefits, as a factor in deciding whether to grant funding.

Appropriation: None.

Fiscal Note: Requested on January 30, 2015.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The LSDF has three goals: (1) health and saving lives; (2) job creation; and (3) to keep the Washington life sciences sector competitive. This legislation expands the scope of the LSDF by amending the statutory language to allow the LSDF to also do agricultural research within existing funding. The reason for this is because the agriculture industry has enormous potential for growth in Washington. There are existing private-public partnerships in the agricultural research field, which includes research being done at the Washington State University Crop Research Center is growing low-gluten wheat that will be used in Chipotle tortillas. The LSDF has the mechanisms in place to implement the legislation. Equipment and technologies used for current LSDF purposes would be similar to agriculture research and animal sciences research uses. The LSDF would have an end goal of commercializing products as a result of agriculture and animal sciences research.

(Opposed) None.

Persons Testifying: Representative Walkinshaw, prime sponsor; and John Des Rosier, Life Sciences Discovery Fund.

Persons Signed In To Testify But Not Testifying: None.